

spackmanentertainmentgroup
SPACKMAN ENTERTAINMENT GROUP LIMITED
(Company Registration No.: 201401201N)
(Incorporated in the Republic of Singapore on 10 January 2014)

ENTRY INTO NON-BINDING LETTER OF INTENT FOR THE SALE OF A MAJOR ASSET OF THE COMPANY TO A CONTENT PRODUCTION COMPANY LISTED IN KOREA

The Board of Directors (“**Board**”) of Spackman Entertainment Group Limited (“**Company**” and together with its subsidiaries, the “**Group**”) wishes to inform shareholders that the Company (the “**Seller**”) has today entered into a non-binding letter of intent (the “**LOI**”) with CHARM Accounting Corporation in Korea, who is representing a content production company listed in Korea (the “**Purchaser**”), to purchase a certain major asset of the Company (the “**Proposed Sale**”). CHARM Accounting Corporation has advised many major Korean listed companies including YG Entertainment, FNC Entertainment, POSCO, Samsung Electronics and Lotte Group on the buy-side of M&A transactions.

The LOI does not constitute any legally binding obligations on the Seller and the Purchaser (the “**Parties**”). It is intended to be a basis for further negotiations between the Parties. The consideration of the Proposed Sale shall be negotiated and agreed upon between the Purchaser and the Seller, subject to the relevant regulations and necessary approvals by the Singapore Exchange Securities Trading Limited and the Korea Exchange, and the Parties’ respective shareholders, where applicable.

The Purchaser and the Seller have yet to begin preliminary negotiations and no binding agreement has been entered into between the Parties in respect of the Proposed Sale. Based on the LOI, the Purchaser agrees to use its reasonable best efforts to negotiate in good faith with a view to execute a definitive agreement on or before 31 December 2020.

The Board intends to explore strategic alternatives for this major asset which the Board believes will unlock shareholder value. The entry into this LOI is one of the strategic options that the Company will carefully consider.

The Company shall make the necessary announcements as and when there are further material developments on the Proposed Sale and other key related matters that may be contemplated moving forward.

Shareholders and potential investors should exercise caution when trading in the shares of the Company. The Proposed Sale is subject to the execution of a definitive agreement by the Parties and conditions precedent to be fulfilled, and there is no certainty or assurance that the definitive agreement will be entered into, or that the Proposed Sale will be completed.

BY ORDER OF THE BOARD

Na Kyoungwon
Chief Operating Officer, President and Executive Director
7 July 2020

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. ("**Sponsor**") for compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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